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November 10, 1993

VIA FACSIMILE AND FIRST CLASS MAIL

William F. Caton
Acting Secretary
Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Suite 222
Washington, D.C. 20554

Re:

Implementation of §309J of the Communications Act Competitive Bidding

PP Docket Number 93-253

Dear Commissioners:

This law firm has been retained by Lightcom International, Inc. of Washington, D.C. ("Lightcom") to comment on the above-referenced Notice Of Proposed Rule Making. As a minority-owned and controlled telecommunications company, Lightcom is enthusiastic about the Federal Communications Commission's ("FCC") proposal to disseminate licenses for Personal Communications Services ("PCS") among certain designated groups, including small businesses, minority-owned businesses and women-owned businesses. Lightcom also concurs with the concept that such licenses be awarded pursuant to a competitive bidding system and that the licenses can be acquired by the designated groups on an installment payment basis.

In addition to the above, Lightcom has reviewed the report of the FCC's Small Business Advisory Committee ("SBAC") and wishes to go on record as fully endorsing the SBAC's proposal. In particular, the SBAC has made various findings which Lightcom fully supports as far as the need to structure a competitive bidding system that will accommodate the unique circumstances that minority-owned and women-owned business must face. In this regard, as outlined by the SBAC's report, the entry opportunities for small, minority-owned and women-owned businesses have been hampered by undercapitalization and lack of access to sufficient

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¹Report of the FCC Small Business Advisory Committee dated September 15, 1993.

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capital in order to acquire telecommunications licenses and other such telecommunications services. Setting aside a spectrum for the designated groups as outlined in the above Notice Of Proposed Rule Making will enable such groups to participate in the telecommunications field more completely; however, not only will the installment payment plan be necessary, but in addition, Lightcom suggests that the FCC consider supporting programs which will make capital available to minority-owned and women-owned businesses through existing financial institutions in order that they can gain access to sufficient capital to purchase the licenses. FCC should work closely with the programs of the U.S. Small Business Administration ("SBA") and as well as the Department of Commerce Minority Business Development Agency to implement a viable program.

In addition to the above, Lightcom wishes to note that the particular problems that minorities and women have with respect to sufficient capital is not necessarily the same faced by other small businesses. In this regard, minorities and women have historically been denied access to capital for business due solely to their race and gender. Therefore, Lightcom urges the FCC to consider set-asides specifically for minority-owned businesses and women-owned businesses so that they will not have to compete with other small businesses. This will enable minority-owned and women-owned businesses to participate in the telecommunications industry on a fairer basis. Again, the SBAC report adequately discusses, in detail, the rationale for a minority-owned and women-owned business set-aside, and Lightcom strongly recommends that the FCC adopt the recommendations proposed by the SBAC. A set-aside program should fully consider the unique problems that minority-owned and women-owned businesses experience, separate and distinct from other small businesses. This is along the lines of other set-aside programs of the Federal governments as implemented by the SBA and Department of Defense.

Lightcom also endorses the concept that the installment payment plan should be made available to designated groups regardless of whether they were bidding on a set aside or non set-aside bases. Once again, based on the SBAC report, it is clear that access to capital is a problem across the board for minority-owned and women-owned businesses. Therefore, the installment payment plan should be provided to such businesses notwithstanding whether they participate in set-aside or non set-aside programs.

Lightcom also endorses the FCC's proposal to make deferred payment plans available to designated groups when they bid for spectrum generally. This will allow minority-owned and women-owned businesses to pool their resources for technical and financial reasons.

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Lastly, Lightcom strongly urges the FCC to fully implement the proposal of the SBAC as soon as possible. Lightcom is willing to participate in any way whatsoever for structuring a viable program.

Sincerely,

David R. Smith

DRS:taw

cc: Bennie L. Thayer

Chief Executive Officer